

## Budget cuts may have led to *E coli* outbreak

David Spurgeon *Quebec*

Eleven people in the Canadian town of Walkerton, Ontario, have died from municipal drinking water contaminated by the O157:H7 strain of *Escherichia coli*, while about 1000 of the 5000 inhabitants have become ill.

Four different investigations—including a public inquiry announced by the provincial government—are under way to determine the cause of the pollution. It is believed that run-off containing animal wastes entered water conduits from nearby farms.

Critics are blaming funding cutbacks to the provincial environment ministry, which in the first budget year of the government of Premier Michael Harris (1995-6 to 1996-7) amounted to 66% for the branch that deals

with programmes and standards related to water and air quality.

The operating budget for the whole ministry was cut by 42% between 1994-5 and 2000-1, and more than 900 staff positions were abolished.

Water testing, which for many years had been carried out by the provincial laboratories, had been transferred to private laboratories before the Harris government came into power, with the responsibilities shifted to the municipalities.

The man in charge of Walkerton's Public Utilities Commission, which provides water for the town, was not trained in water quality, and tests showing contamination were not passed on to the medical health officer for at least five days.

Gary Gallon, senior policy adviser to the environment minister from 1993-6, said in his newsletter: "Clearly, the Harris Government's withdrawal of MOE [Ministry of Environment] resources and its decision not to effectively control factory farms in Ontario contributed substan-



A young girl is taken to an evacuation helicopter in Walkerton, Ontario, where *E coli* bacteria have killed 11 people

tially to the Walkerton disaster."

Premier Harris, whose government has announced an initial contribution of \$C100 000 (£45 000; \$68 000) to help Walkerton's residents, said that he still believed that water testing by private laboratories was safe, and that it had worked well until the Walkerton case.

However, according to Leah Casselman, the president of the Ontario Public Service Employees Union, which represents 580 employees at the Ontario Clean Water Agency and 1100 staff at the environment ministry, the frequency of water testing is based on how much a municipality can afford. □

## Private finance scheme for Worcester "will cut beds"

Annabel Ferriman *BMJ*

The private finance initiative (PFI) scheme used to finance the building of a new hospital for the Worcester Royal Infirmary will leave Worcestershire with one of the lowest levels of hospital provision in the country, a report published last week claims.

The report, published by the health policy and health services research unit at University College London, also claims that the resulting downgrading of services at Kidderminster will leave the town with a clinical centre that is widely regarded as unsafe.

The authors of the report, Professor Allyson Pollock, David Price, and Dr Matthew Dunnigan, attack the initiative—which is the mechanism used by the government to raise capital investment for the NHS—on the grounds that it puts up costs and results in public money going into private pockets.

Capital is raised by the private sector, usually in the form

of a consortium, which then builds the hospital and leases it back to the public sector for periods of up to 60 years. The annual charges are funded out of the hospital revenue budgets.

The report uses official figures to show how a deficit of £15m (\$22.5m) for NHS services in Worcestershire, coupled with a bill for the new hospital that was more than double what was expected, have forced the health authority to cut hospital services across the county.

The cost of the new PFI hospital escalated by 118% during negotiations, from £49m in 1996 to £108m in 1999, necessitating the downgrading of Kidderminster hospital. Much of the cost increase was due to the extra costs of financing that would not have been incurred under a public sector option.

Worcestershire Health Authority believes that the report is flawed, because it leaves out the Alexandra Hospital and all five community hospitals from the

analysis of available bed numbers. Harold Musgrove, chairman of Worcestershire Acute Hospitals NHS Trust, said: "The new hospital will be ready on time, it has been planned to have enough capacity to cope with the expected patients who will use it, and costs have not risen by 118%."

The downgrading of Kidderminster hospital has led to a local battle to save it. Out of 42 councillors on the local Wyre Forest Council, 19 are "single issue" councillors fighting to prevent the hospital closure. Three Liberal councillors have formed the "Liberal Party Save Our Hospital Group," giving an overall standing majority of councillors who are focusing on this issue.

Projected numbers of NHS beds per head of population across the catchment area will fall to 41% of the current national average for England when the new PFI hospital opens, the report says. □

*Deficits Before Patients: A Report on the Worcester Royal Infirmary PFI and Worcestershire Hospital Reconfiguration* is available free from the School of Public Policy, University College London (tel 020 7679 4983).

## Clinton orders Medicare to cover patients in clinical trials

Fred Charatan *Florida*

President Clinton has told the US Department of Health and Human Services to authorise payment for services covered by Medicare for patients in clinical trials.

The directive, which does not require congressional approval, follows last December's Institute of Medicine report, which said: "Medicare should pay for routine care of beneficiaries enrolled in clinical trials in the same way it pays for this care outside of clinical trials."

Explaining the new payment policy, a White House statement said: "Too few seniors participate in clinical trials. Current Medicare reimbursement policies often discourage seniors from participating."

"Coverage of all clinical trials, not just those for cancer, is critically important to ensuring new breakthroughs in diagnostics, treatments and cures." □